



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

January 5, 2007

Jeffrey J. DiSantis, Treasurer
Georgia Federal Elections Committee
1100 Spring Street, Suite 406
Atlanta, GA 30309

Response Due Date:
February 5, 2007

Identification Number: C00041269

Reference: 30-Day Post-General Report (10/19/06-11/27/06)

Dear Mr. DiSantis:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **An adequate response must be received at the Commission by the response date noted above.** An itemization of the information needed follows:

-Commission Regulations require that a committee disclose the identification of all individuals who contribute in excess of \$200 in a calendar year. (11 CFR §104.3(a)(4)(i)) Identification for an individual is defined as the full name, mailing address, occupation and name of employer. (11 CFR §100.12) Your report discloses contributions from individuals for which the identification is not complete.

You must provide the missing information, or if you are unable to do so, you must demonstrate that "best efforts" have been used to obtain the information. To establish "best efforts," you must provide the Commission with a detailed description of your procedures for requesting the information. Establishing "best efforts" is a three-fold process.

First, your original solicitation must include a clear and conspicuous request for the contributor information and must inform the contributor of the requirements of federal law for the reporting of such information. (11 CFR §104.7(b)(1))

Second, if the information is not provided, you must make one follow-up, stand alone effort to obtain this information, regardless of whether the contribution(s) was solicited or not. This effort must occur no later than 30

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days after receipt of the contribution and may be in the form of a written request or an oral request documented in writing. (11 CFR § 104.7(b)(2))
The request must:

- clearly ask for the missing information, without soliciting a contribution;
- inform the contributor of the requirements of federal law for the reporting of such information, and
- if the request is written, include a pre-addressed post card or return envelope.

Third, if you receive contributor information after the contribution(s) has been reported, you shall either a) file with your next regularly scheduled report, an amended memo Schedule A listing all the contributions for which additional information was received; or b) file on or before your next regularly scheduled reporting date, amendments to the report(s) originally disclosing the contribution(s). (11 CFR §104.7(b)(4))

Please provide the missing information or a detailed description of your procedures for requesting the information. For more information on demonstrating "best efforts," please refer to the Campaign Guide.

-The identification of each contributor, including an adequate occupation and name of employer for each, must be provided if the person has contributed in excess of \$200 in the aggregate during the calendar year. Please amend Schedule A supporting Line 11(a)(i) for each entry inadequately identified as "Consultant/self."

-Schedule A of your report discloses one or more contributions totaling \$1,000.00 from "Krschner & Venker PC," which appears to be a corporation(s). 2 U.S.C. §441b(a) prohibits the receipt of contributions from corporations unless made from a separate segregated fund established by the corporation.

If any apparently prohibited contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information.

If you have received a prohibited contribution(s), you may have to make a refund. If within 30 days of receipt you (1) transferred the prohibited amount to an account not used to influence federal elections, and (2) provided written notice to the person making the contribution of the option of receiving a refund, you may retain the contribution in an account not

used to influence federal elections. Any request from a donor for a refund must be honored.

If the foregoing conditions for transfers to a non-federal account were not met within 30 days of receipt, the prohibited amount must be refunded. See 11 CFR §103.3(b)(1).

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for any transfer-out or refund. In addition, any transfers-out or refunds should be disclosed on Schedule B supporting Line 22 or 28 of the report covering the period during which the transaction was made.

Although the Commission may take further legal action concerning the acceptance of a prohibited contribution, prompt action by your committee to transfer-out or refund the amount will be taken into consideration.

-Schedule A of your report (see Chart 1) discloses one or more contributions which appear to exceed the limits set forth in the Act. 2 U.S.C. §441a(f) and 11 CFR §§110.1(d) and 110.2(d) prohibit a committee and its affiliates from receiving any contribution from another political committee or person in excess of \$5,000 per calendar year.

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you must amend your original report with the clarifying information.

If any contribution you received exceeds the limits, you may have to refund the excessive amount. The funds can be retained if within 60 days of receipt, (1) the excessive amount was properly reattributed to another person, such as a joint account holder, by obtaining signed written authorizations from each person making the contribution pursuant to 11 CFR 110.1(k)(3), and (2) the treasurer informs the person making the contribution that he or she may request the return of the excessive portion of the contribution if it is not intended to be a joint contribution. Any request from a donor for a refund must be honored.

Alternatively, the funds can be retained if within 60 days of receipt you (1) transferred the excessive amount to an account not used to influence federal elections, and (2) provided written notice to the person making the contribution of the option of receiving a refund. Any request from a donor for a refund must be honored.

If the foregoing conditions for reattributions or transfers to a non-federal account were not met within 60 days of receipt, the excessive amount must be refunded.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for any transfer-out or refund. In addition, any reattributions should be reported as memo entries on Schedule A of the report covering the period during which the authorization for the reattribution is received. Any transfers-out or refunds should be disclosed on Schedule B supporting Line 22 or 28 of the report during which the transaction was made.

Although the Commission may take further legal action regarding the acceptance of an excessive contribution(s), prompt action by your committee to seek reattribution, transfer-out or refund the excessive amount will be taken into consideration.

-The Commission notes the \$81,000.00 in transfers-out on Schedule B to "DPG Non-Federal" for the apparent misdeposit of contributions originally intended for the non-federal account, which state "Transfer of excessive contribution" in the purpose field. The Commission also notes the \$52,000.00 in negative memo entries on Schedule A from Steve Berman, Miles Gammage, Roger Kahn, Howard Spiva, Roddy Sturdivant and Howard Weiss which state in memo text "Excessive contribution transferred to Non-Federal Account." Please clarify this apparent discrepancy.

Although the Commission may take further legal action regarding the misdeposited funds, your prompt action in refunding or transferring out this amount will be taken into consideration.

-Your report discloses a transfer(s) for "Transfer to NF for Cash Flow" to the "DPG NonFederal" which appears to be a non-federal account of your committee. 11 CFR §§106.6 and 106.7 prohibits a committee's federal account from reimbursing its non-federal account for shared allocable expenses. Also, the non-federal account is prohibited from paying the federal account's share of these expenses. These types of costs must be paid according to the allocation ratio derived from the appropriate method on Schedule H1.

If the transfer(s) in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. If your non-federal account has paid any expenditures which should have been allocated, you are advised to correct any non-compliance with 11 CFR

§§106.6 and 106.7 and establish procedures to insure future compliance with allocation regulations.

Although the Commission may take further legal action regarding this improper allocation activity, your prompt action will be taken into consideration.

-Schedule A supporting Line 12 discloses a transfer(s)-in from the Democratic Congressional Campaign Committee and the Democratic National Committee. Schedule B supporting Line 30(b) reflects payments for "Exempt Candidate Mail/Barrows GA 12th," "Exempt Candidate Mail/Marshall GA 8th," "Exempt Mail/Barrows GA 12th" and "Exempt grassroots camp mat/Barrows GA 12." Please be advised that a state or local party committee may pay for campaign materials (such as pins, posters, bumper stickers and yard signs) that are distributed by volunteers in connection with activity on behalf of the party's nominees in a general election and for voter drive activity conducted on behalf of the party's Presidential and Vice Presidential nominees. Payments for this type of activity are exempt from the definition of a contribution or expenditure if certain conditions are met. The conditions are that no public advertising may be used, including distribution by direct mail (mailings by a commercial vendor or from commercial lists); all funds used for the activity must be permitted under the Act; none of the funds used may have been designated for a particular candidate; and finally, payments for the activity may not be made from transfers-in from the national committee to specifically fund the activity. For further guidance, please refer to 11 CFR §§100.87 and 100.147 and to the Campaign Guide for Party Committees.

Please clarify the nature of the transfer(s)-in and subsequent payments for the aforementioned disbursement(s). If the activity disclosed on your report does not meet the definition of "exempt" activity as described above and if any portion of the expenditures were made on behalf of specifically identified candidates, that amount must be disclosed on Schedule B, E or F supporting Line 23, 24 or 25 of the Detailed Summary Page as appropriate.

-The limitation on making coordinated party expenditures on behalf of a House candidate in the State of Georgia for the 2006 general election is \$39,600.00. Your reports, however, disclose coordinated party expenditures made on behalf of John Barrows totaling \$62,744.51 and Jim Marshall totaling \$79,200.00 which appear to exceed the limitations under 2 U.S.C. §441a(d) (see Chart 2).

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If any apparently excessive expenditure in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information.

If you have made an excessive coordinated party expenditure, you must notify the candidate and request a refund of the amount in excess of the limitation.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of the refund request sent to the candidate. In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received.

Although the Commission may take further legal action concerning the excessive coordinated party expenditures, prompt action in obtaining a refund will be taken into consideration.

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694- 1177.

Sincerely,



Corbin T. Jones

Campaign Finance Analyst
Reports Analysis Division

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GEORGIA FEDERAL ELECTIONS COMMITTEE

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Excessive Contribution from Individual

Contributor Name	Date	Amount	Report
Albert Stafford	10/20/06	\$25,000.00	30-Day Post-General

Excessive Coordinated Expenditures

Recipient Name	Date	Amount	Election	Report
John Barrows	10/26/06	\$4,692.51	G2006	30-Day Post-General
John Barrows	10/26/06	\$1,344.44	G2006	30-Day Post-General
John Barrows	10/26/06	\$1,344.44	G2006	30-Day Post-General
John Barrows	10/26/06	\$4,692.51	G2006	30-Day Post-General
John Barrows	10/30/06	\$10,000.00	G2006	30-Day Post-General
John Barrows	10/31/06	\$4,000.00	G2006	30-Day Post-General
John Barrows	11/1/06	\$8116.95	G2006	30-Day Post General
John Barrows	11/2/06	\$18,000.00	G2006	30-Day Post-General
John Barrows	11/3/06	\$6,000.00	G2006	30-Day Post-General
John Barrows	11/3/06	\$4,553.66	G2006	30-Day Post-General
Jim Marshall	10/13/06	\$1,000.00	G2006	12-Day Pre-General
Jim Marshall	10/13/06	\$45,000.00	G2006	12-Day Pre-General
Jim Marshall	10/26/06	\$9000.00	G2006	30-Day Post-General
Jim Marshall	10/26/06	\$400.00	G2006	30-Day Post-General
Jim Marshall	10/26/06	\$14,800.00	G2006	30-Day Post-General
Jim Marshall	10/26/06	\$9,000.00	G2006	30-Day Post-General

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